(b) if so, the details thereof; and

(c) what steps are proposed to be taken in order to protect the interests of the country's agricultural sector ?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Import restrictions on various items including agricultural products are being removed as part of the economic liberalisation programme of the government and also in terms of our international obligations.

However, all imports in the country are subject to applicable rates of customs duties and also subject to domestic laws, rules, orders, regulations, technical specifications, environmental and safety norms as applicable to domestically produced goods. This should provide adequate protection to domestic farmers.

India's tariff bindings at W.T.O. for most of the agricultural items are fairly high and effective rates of customs duties can be raised to those levels, in case there is any evidence of substantial increase in imports.

In the recent past, import duties on many of the agricultural items, (Chapter 1 to 24 of ITC (HS) Classification of Export and Import Items), have been increased to provide further protection to domestic farmers, e.g. duty on rice has been increased upto 80%, on maize upto 50%, on apples upto 50%, on wheat upto 50%, on sugar upto 60% and on poultry products upto 100%.

The imports are being closely monitored and Government is determined to ensure through appropriate use of the tariff mechanism that imports do not cause any serious detriment or injury to the domestic farmers.

Adverse impact on small scale sector

4458. SHRI P. PRABHAKAR REDDY : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) Whether Government' s attention has been drawn to the news-item appearing in the Economic Times dated 1st April, 2000 under the caption" small scale sector feeling the heat"

(b) whether any study has been made of the possible adverse impact of the Exim Policy announced for 2000-2001 on the small scale sector;

(c) if so, the details thereof; and

(d) what steps are proposed to be taken to save the small scale indigenous industries from the stiff competition on account of imports in various segments ?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d) Import restrictions on 714 tariff lines, at 8 digit level, were removed on 31-3-2000. Out of these 58 tariff lines are of interest to small scale Industries. Import restrictions on these 58 tariff lines have been removed as part of our International obligations. However all imports in the country are subject to applicable rates of custom duties.

Government is aware of the issue raised in the news item appearing in the Economic Times dated 01-4-2000 and also the emerging scenario for the SSI Units and has taken several steps to help them become globally competetive. These include special focus on areas such as technology up-gradation, infrastructure assistance through the cluster approach, timely availability of credit, adoption of modern management practices, use of electronic infrastructure, marketing and timely information dissemination, including sensitization of small industries to the emerging challenges of trade liberalization.

The government also proposes to take following specific steps for helping the SSI Units :—

(1) A scheme of credit guarantee is being launched shortly, for which provision of Rs. 100 Crores has been made in the Budget for the year 2000-2001.

(2) In the Union Budget 2000-2001 the operation of the special scheme called the Technology Development and Modernisation Fund of the Small Industries Development bank of India (SIDBI), is proposed to be extended by another three years.

(3) The Ministry of Small scale Industries and Agro and Rural Industries is planning to introduce a scheme of interest support to small scale entrepreneurs going in for technology up-gradation and modernisation.

(4) In the amendments to the Export and Import Policy, announced on 31-3-2000 Export Promotion Capital Goods Scheme has been liberalised to include SSI Sector, which now can import capital goods required for export production at the concessional duty rate of 5%.